

REPORT OF THE COMMITTEE ON ZONING, PLANNING AND HOUSING

Voting Members:

Ron Menor, Chair; Tommy Waters, Vice-Chair;
Brandon J.C. Elefante, Ann H. Kobayashi, Joey Manahan

Committee Meeting Held
June 18, 2020

Honorable Ikaika Anderson
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Zoning, Planning and Housing, which considered Resolution 20-151 entitled:

"RESOLUTION URGING THE STATE DEPARTMENT OF EDUCATION TO CONSIDER DEVELOPING PUBLIC SCHOOL LAND ON OAHU WITH AFFORDABLE RENTAL HOUSING FOR CURRENT PUBLIC SCHOOL TEACHERS PURSUANT TO THE TEMPORARY AFFORDABLE RENTAL HOUSING PROGRAM ESTABLISHED BY ORDINANCE 19-8 AND URGING THE CITY ADMINISTRATION TO PROVIDE OUTREACH TO THE STATE DEPARTMENT OF EDUCATION REGARDING THE POTENTIAL BENEFITS OF THE PROGRAM,"

introduced on June 12, 2020, reports as follows:

The purpose of Resolution 20-151 is to urge the State of Hawaii Department of Education ("DOE") to study the viability of developing public school lands with affordable rental housing for current public school teachers pursuant to the temporary program established by ROH Chapter 42 (the affordable rental housing program, or "ARH Program"), and to request the Mayor and the Department of Planning and Permitting ("DPP") to conduct outreach and provide informational materials to the DOE on the ARH Program, including the program's advantageous features and financial incentives.

CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON JUL 8 2020

COMMITTEE REPORT NO. 159

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At your Committee's meeting on June 18, 2020, the Director of the Department of Land Management ("DLM") testified in support of the Resolution and stated that the DLM would be happy to share its experiences and agreement templates for developing affordable housing with the DOE. The DLM Director noted that the State Legislature approved use of the DOE property located on Young Street as the site for a future fire station to serve the Kakaako District.

The Assistant Chief of the Honolulu Fire Department ("HFD") testified that as the City's population becomes denser, it is very difficult to find one-acre of land needed for a fire facility. The HFD Assistant Chief stated that the future fire station on Young Street is at the very early stages of planning, and will require many approvals from governmental agencies. It is possible that the Young Street property could be developed as a multi-use project that accommodates the fire facility and affordable housing. HFD administrative personnel are currently occupying the Young Street property, which provides relief to the overcrowded HFD headquarters.

The Acting Director of the Department of Planning and Permitting ("DPP") testified that the DPP has no objection to participating in discussions with the DOE regarding the ARH Program.

The Hawaii State Teachers Association testified via videoconference in support of the Resolution.

Your Committee received written testimony in support of the Resolution from two individuals.

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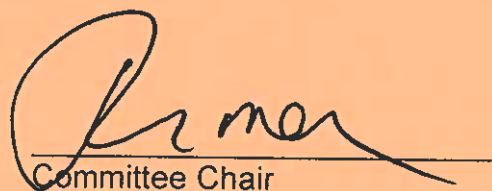
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Your Committee prepared a CD1 version of the Resolution that makes the following amendments:

- A. In the Resolution title, last WHEREAS clause, BE IT RESOLVED clause, and BE IT FURTHER RESOLVED clause, references ROH Chapter 42 instead of Ordinance 19-8 (Ordinance 19-8 was codified as ROH Chapter 42, and was subsequently amended by Ordinance 20-13).
- B. Makes miscellaneous technical and nonsubstantive amendments.

Your Committee on Zoning, Planning and Housing is in accord with the intent and purpose of Resolution 20-151, as amended herein, and recommends its adoption in the form attached hereto as Resolution 20-151, CD1. (Ayes: Elefante, Kobayashi, Manahan, Menor, Waters – 5; Ayes with reservations: None; Noes: None.)

Respectfully submitted,



Committee Chair

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON JUL 8 2020

COMMITTEE REPORT NO. 159



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 20-151, CD1

RESOLUTION

URGING THE STATE DEPARTMENT OF EDUCATION TO CONSIDER DEVELOPING PUBLIC SCHOOL LAND ON OAHU WITH AFFORDABLE RENTAL HOUSING FOR CURRENT PUBLIC SCHOOL TEACHERS PURSUANT TO THE TEMPORARY AFFORDABLE RENTAL HOUSING PROGRAM ESTABLISHED BY CHAPTER 42 OF THE REVISED ORDINANCES OF HONOLULU 1990, AND URGING THE CITY ADMINISTRATION TO PROVIDE OUTREACH TO THE STATE DEPARTMENT OF EDUCATION REGARDING THE POTENTIAL BENEFITS OF THE PROGRAM.

WHEREAS, in a 2019 ranking of 291 cities across America, Honolulu ranked fourth as the least affordable in terms of housing for teachers (the least affordable city was Santa Cruz, followed by San Jose and San Francisco, all in California); and

WHEREAS, in July 2019, the median sales price of a single-family home in Honolulu peaked at a record high of \$835,000, while the median sales price of a condominium set a new record high of \$435,000; and

WHEREAS, according to salary, rent, and housing data compiled by Zillow, a teacher in Hawaii with a salary in the bottom 25 percent of educators would earn about \$3,330 monthly, but it would take 70 percent of that monthly salary to afford the median rent in Hawaii; and

WHEREAS, according to a recent Hawaii Department of Education ("DOE") teacher staffing report, approximately 1,200 teachers in Hawaii resign every year, with 52 percent of the resigning teachers indicating their primary reason was because they were leaving Hawaii, and

WHEREAS, unlike most states, Hawaii does not fund public schools with property taxes; instead, money for schools comes primarily from income and general excise taxes, and a 2018 general election ballot question that would have amended the State Constitution to establish a surcharge on investment property taxes to help fund public education was invalidated by the Hawaii Supreme Court, which ruled the question was phrased in a manner potentially misleading to voters; and

WHEREAS, during the 2019 legislative session, the Hawaii Legislature considered Senate Bill 114, which proposed a teacher home assistance program to offer \$500 monthly vouchers to full-time DOE teachers and public charter school teachers who teach in hard-to-staff schools, and whose incomes did not exceed 80 percent of the area median income; and



RESOLUTION

WHEREAS, despite support from the DOE, the Hawaii State Teacher's Association, and the Democratic Party of Hawaii, the Hawaii Housing Finance and Development Corporation believed the Program would be too difficult and expensive to administer, and the State Legislature failed to pass Bill 114 during the 2019 legislative session; and

WHEREAS, the lack of affordable housing is driving away teachers in cities across the nation where housing costs exceed a reasonable percentage of teacher salaries, and some cities and school districts are moving forward with plans to construct affordable rental housing for teachers as a way to attract and retain them; and

WHEREAS, for example, the Santa Clara Unified School District in Silicon Valley operates a housing complex on district property where it rents subsidized one- and two-bedroom apartments to teachers for up to seven years; and in 2015, San Francisco Mayor Ed Lee announced plans to build 100 new apartments specifically for teachers on school district property; and

WHEREAS, the availability of affordable housing is one of the key factors in attracting and retaining qualified teachers for public schools, which would almost certainly increase the educational benefit to students Statewide; and

WHEREAS, it may be the opportune time for the DOE to consider developing public school lands on Oahu, located within the apartment, apartment mixed use, and business mixed use zoning districts, with affordable rental housing for current public school teachers pursuant to the affordable rental housing project temporary program established by Chapter 42 of the Revised Ordinances of Honolulu 1990 ("ROH"); now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it urges the Hawaii Department of Education to study the viability of leasing public school lands and to develop affordable rental housing for current public school teachers pursuant to the temporary program established by ROH Chapter 42, which was enacted in 2019 and recently amended by Ordinance 20-13; and

BE IT FURTHER RESOLVED that the Office of the Mayor and the Department of Planning and Permitting are requested to conduct outreach and provide informational material to the Department of Education on the temporary program established under ROH Chapter 42, as amended by Ordinance 20-13, including the program's advantageous features and financial incentives that may facilitate the development of affordable housing for current public school teachers on public school land; and



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 20-151, CD1

RESOLUTION

BE IT FINALLY RESOLVED that a copy of this resolution be transmitted to the Chair of the Hawaii Board of Education, the Hawaii Superintendent of Education, and the Acting Director of Planning and Permitting.

INTRODUCED BY:

Ron Menor

DATE OF INTRODUCTION:

June 12, 2020
Honolulu, Hawaii

Councilmembers